



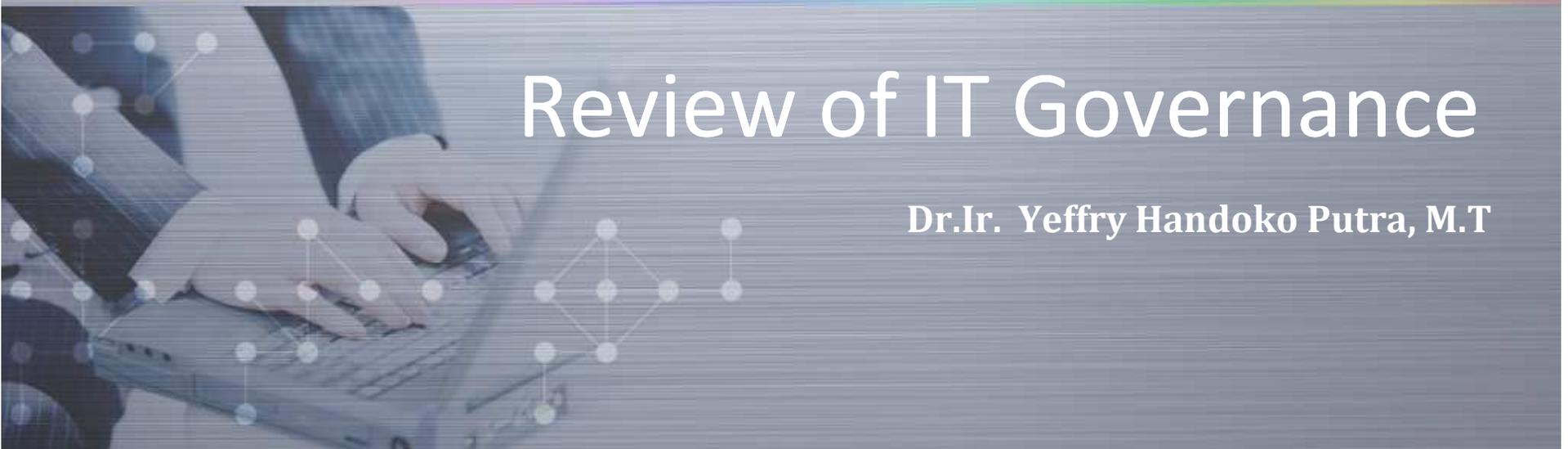
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Review of IT Governance

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Content

- Research objective and research question
- Definitions of IT governance
- Literature review of selected Codes, Frameworks, Standards and Best Practices
- Assessment of the current industry application of governance concepts
- A generic governance framework for IT governance and the governance of outsourcing
- Conclusion



Research objective & research question

Research Objective:

- Literature review; IT governance efficiency survey to assess:
 - Does known reference models, frameworks and standards address governance requirements of ICT outsourcing companies?
 - Current status of IT governance practices.

Research Question:

- Can a generic governance framework be formulated to address these requirements?

What is 'IT Governance'?

It is ...

the responsibility of the board and executive

It consists of...

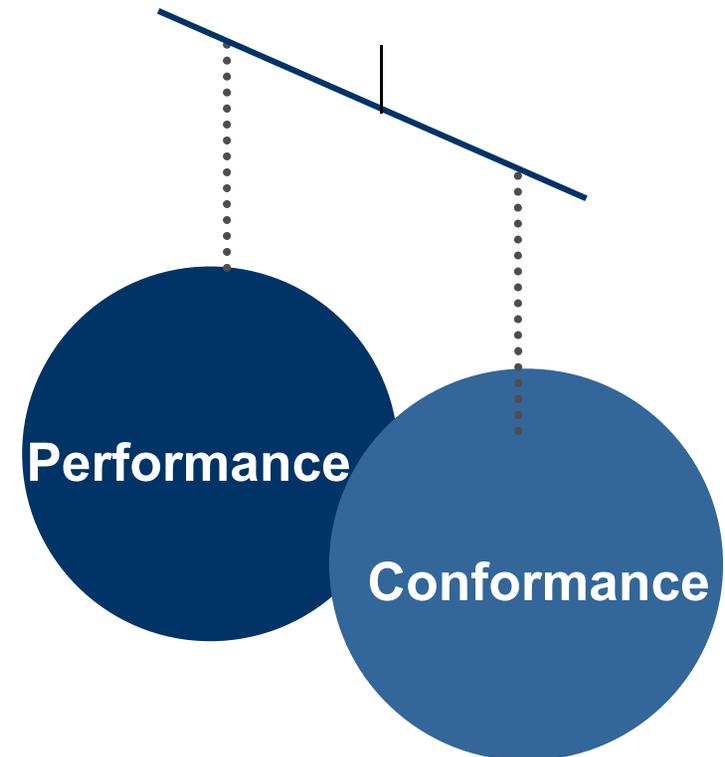
The leadership, organisational structures &
processes...

to ensure that the enterprise's IT...
sustain and extend organisational strategies &
objectives.

Enterprise governance drives IT governance

Enterprise governance is about:

- Conformance
 - Adhering to legislation, internal policies, audit requirements, etc.
- Performance
 - Improving profitability, efficiency, effectiveness, growth, etc.



Enterprise governance and IT governance require a balance between conformance and performance goals directed by the board.

What is the 'governance of outsourcing'?

The responsibilities, roles, objectives, interfaces & controls required...

to anticipate change and ...

manage the introduction, maintenance, performance, costs and control of third-party provided services.

LITERATURE REVIEW OF SELECTED CODES, FRAMEWORKS, STANDARDS AND BEST PRACTICES



King III requirements – the link between IT governance practices and law

- Directors' duty of care: ensure prudent and reasonable steps taken re IT governance.
- Corporate governance practices, codes and guidelines lift the bar of what are regarded as appropriate standards of conduct.
- Failure to meet a recognised standard of governance, albeit not legislated, may render a board or individual director liable at law.



King III requirements: IT governance

- IT governance...
 - is the responsibility of the board;
 - should be an integral part of enterprise governance structures;
 - should be owned by the board.
- The board must set the management direction. Required to...
 - assume more significant role in terms of IT governance, and
 - insist on establishment of an IT governance management framework:
 - To be based on a common approach, eg. COBIT.



Company requirements: IT Governance focus areas

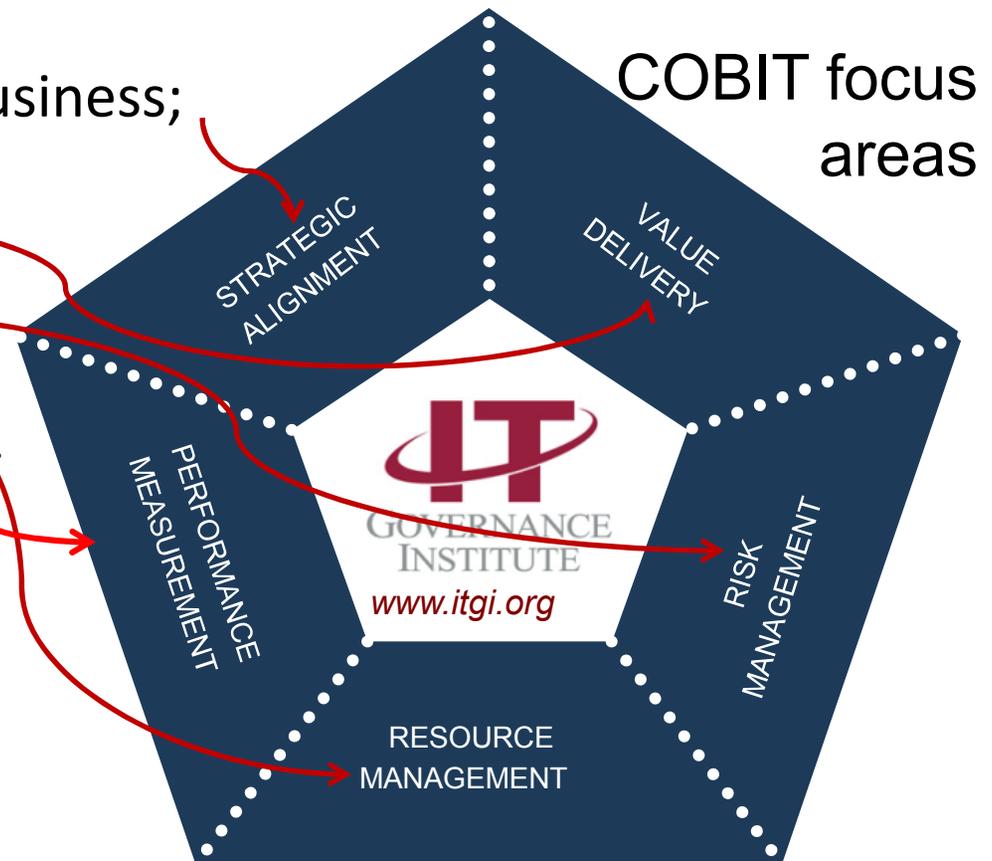
IT governance should focus on five key areas:

- strategic alignment with business;
- value delivery;
- risk management; and
- resource management.
- Performance Management

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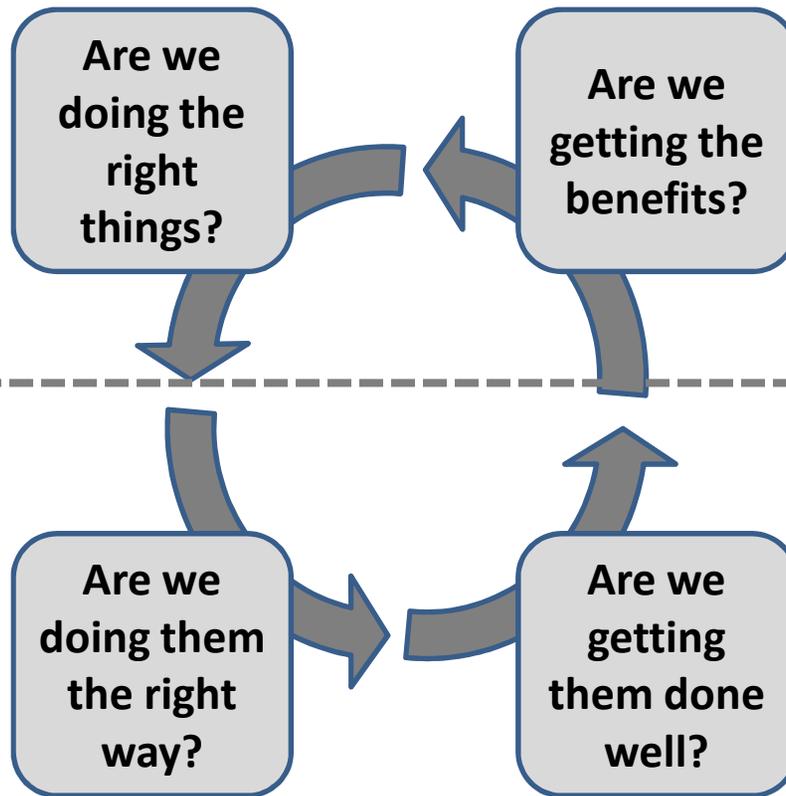
Context: COBIT and VAL IT

The strategic question

The value question.

VAL IT

COBIT

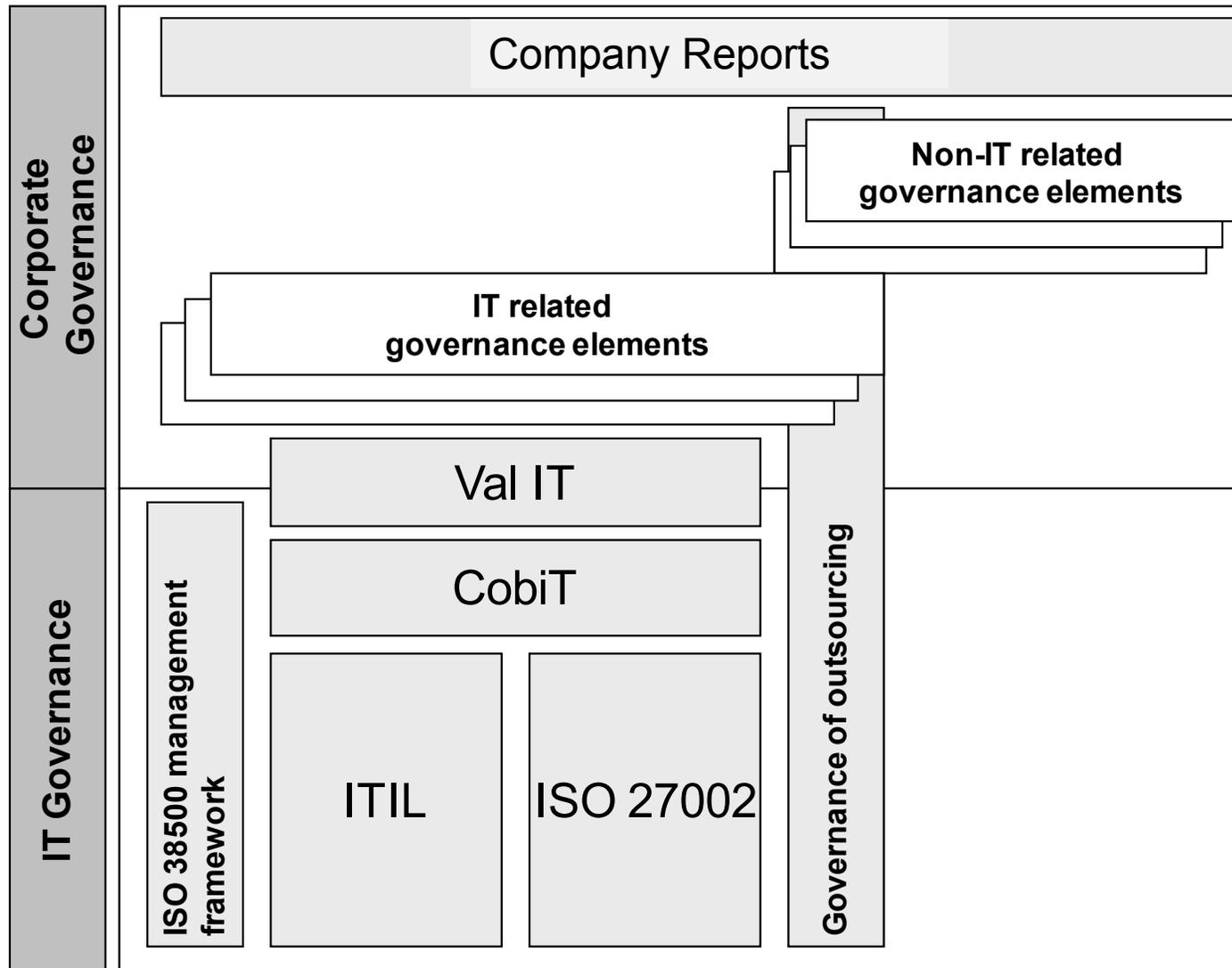


The architecture question

The delivery question



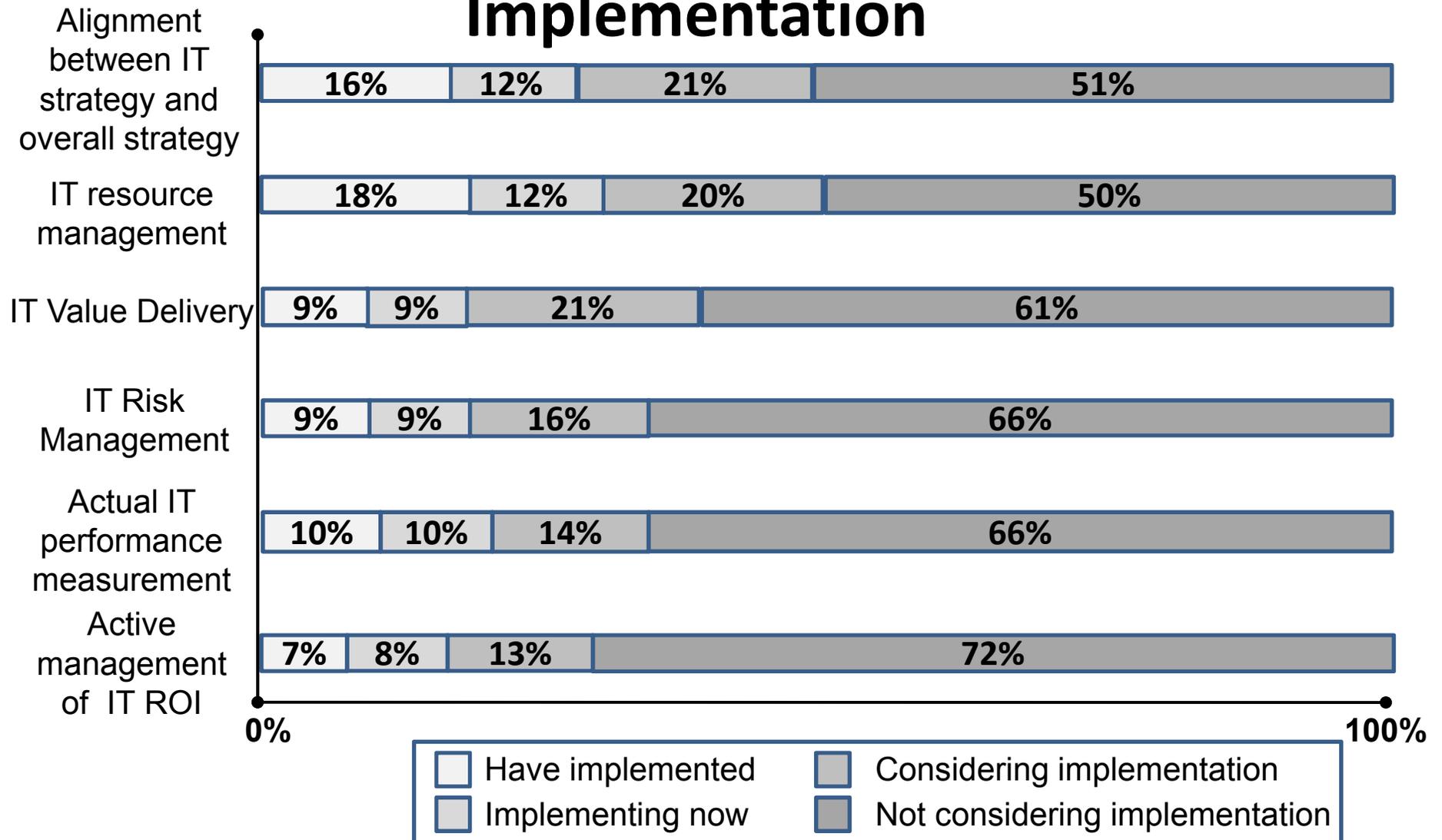
Context: Best Practices



INDUSTRY APPLICATION OF GOVERNANCE CONCEPTS



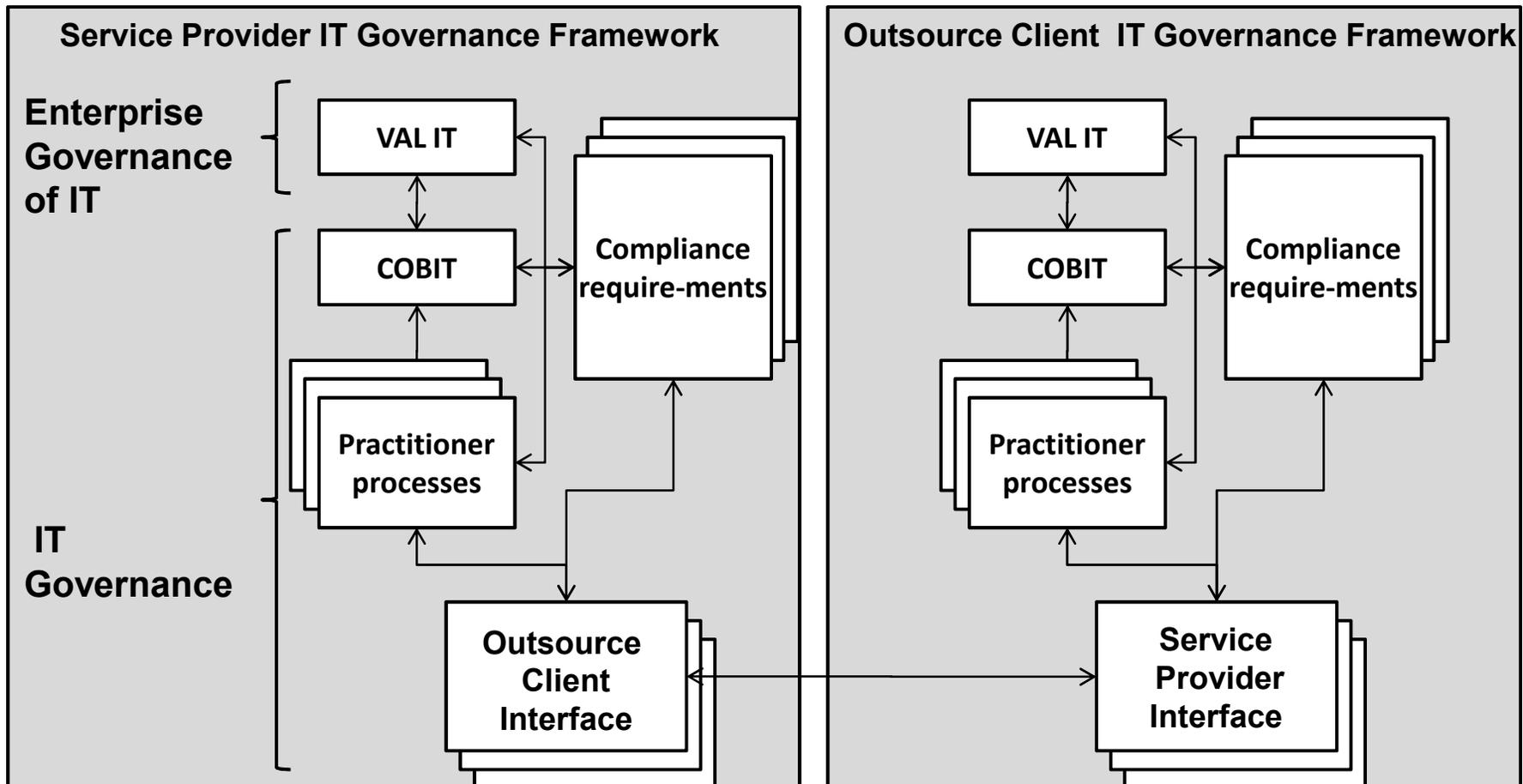
Status: IT Governance Best Practise Implementation



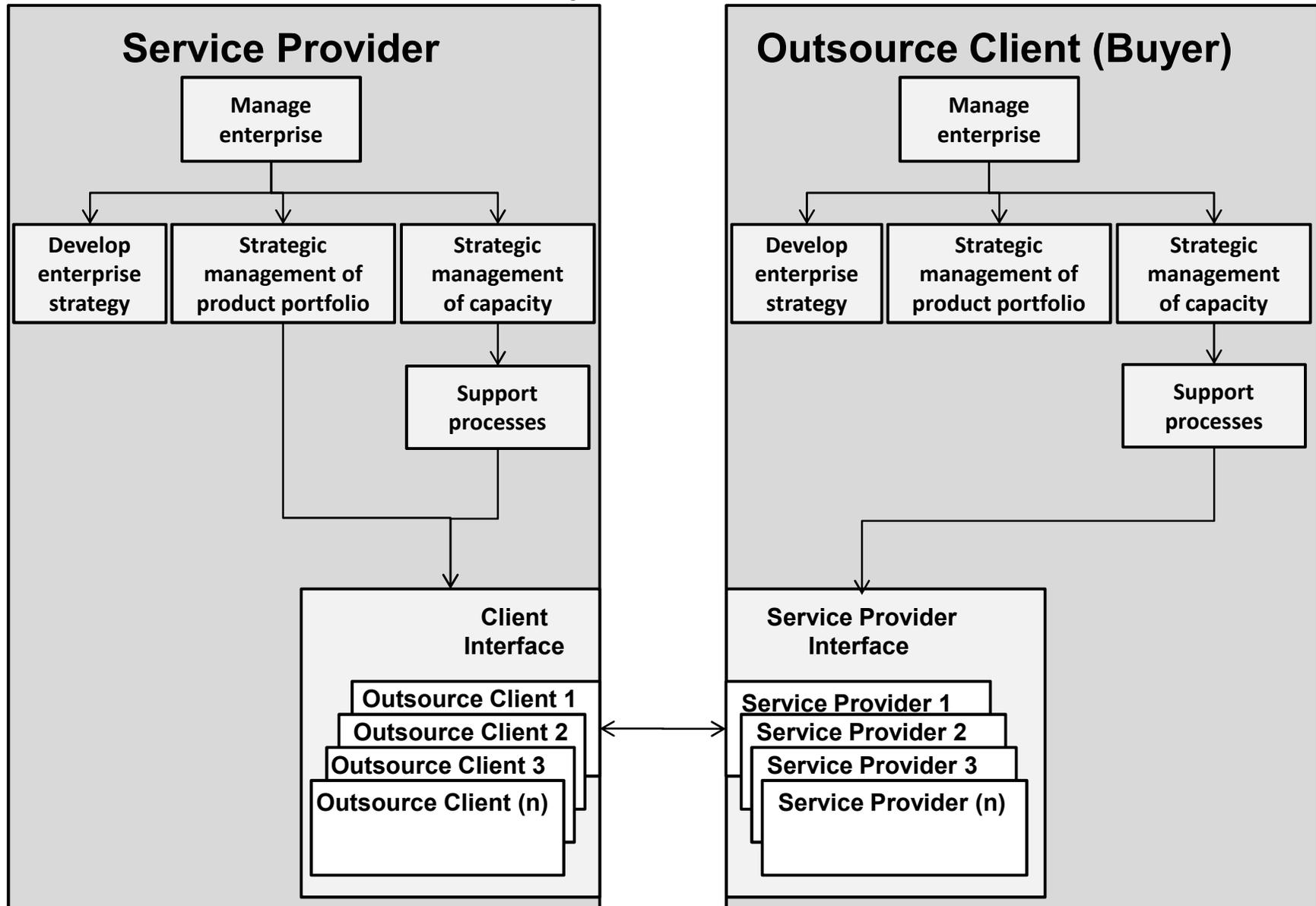
GENERIC GOVERNANCE FRAMEWORK FOR IT AND OUTSOURCING



Generic governance model

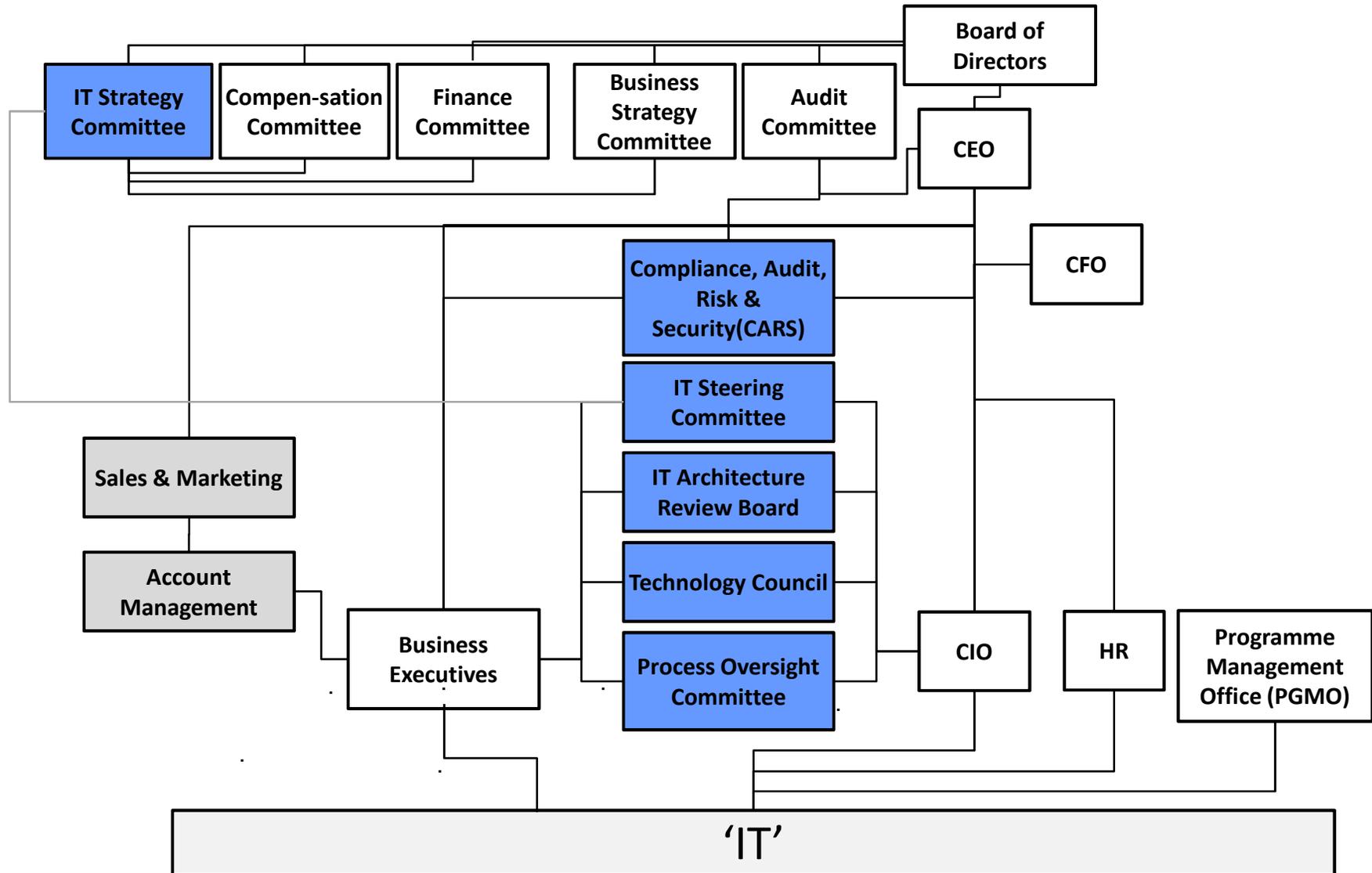


Generic process model



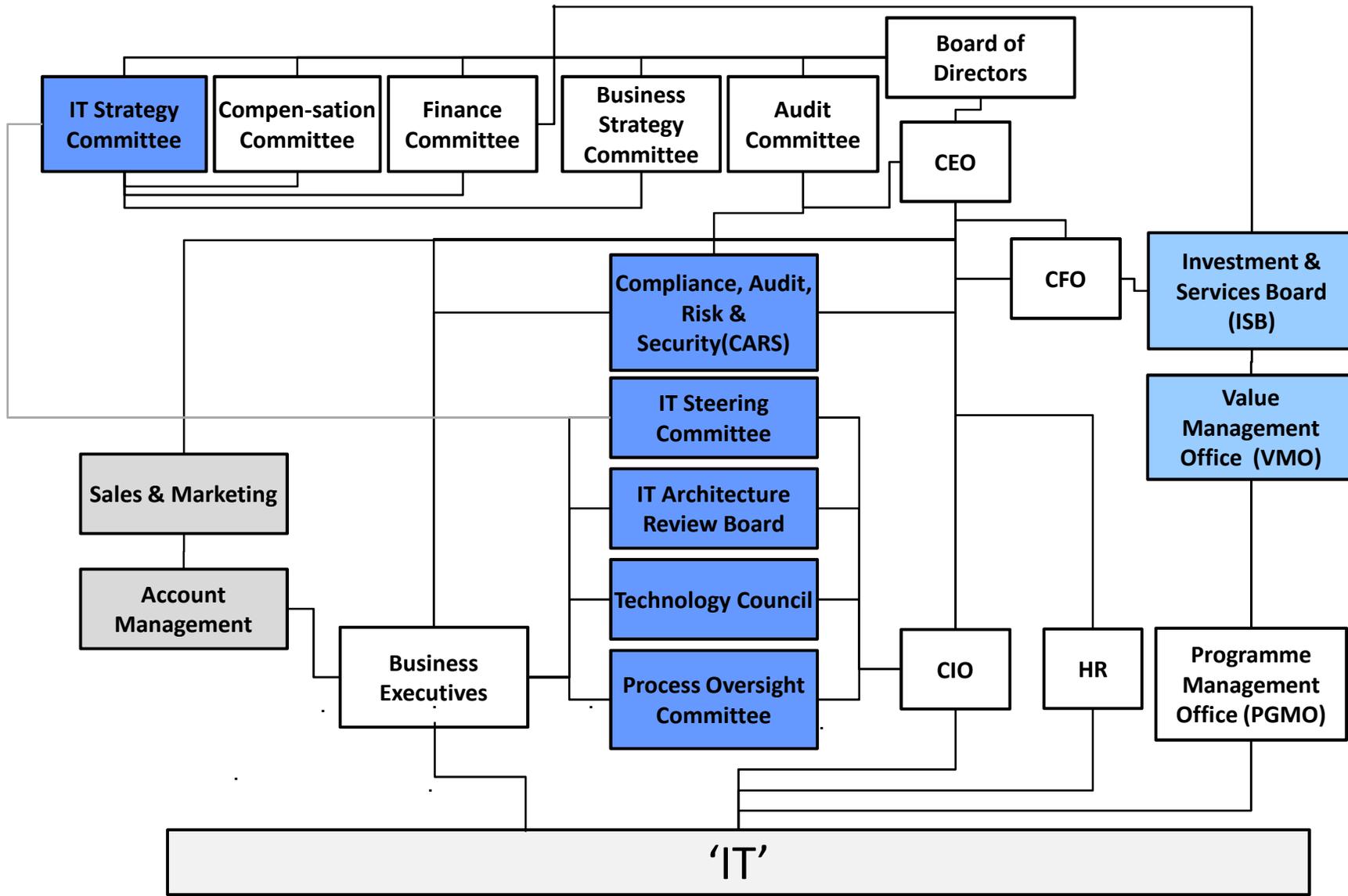
IT governance interrelationships

(service provider perspective)



IT governance interrelationships

(service provider perspective)



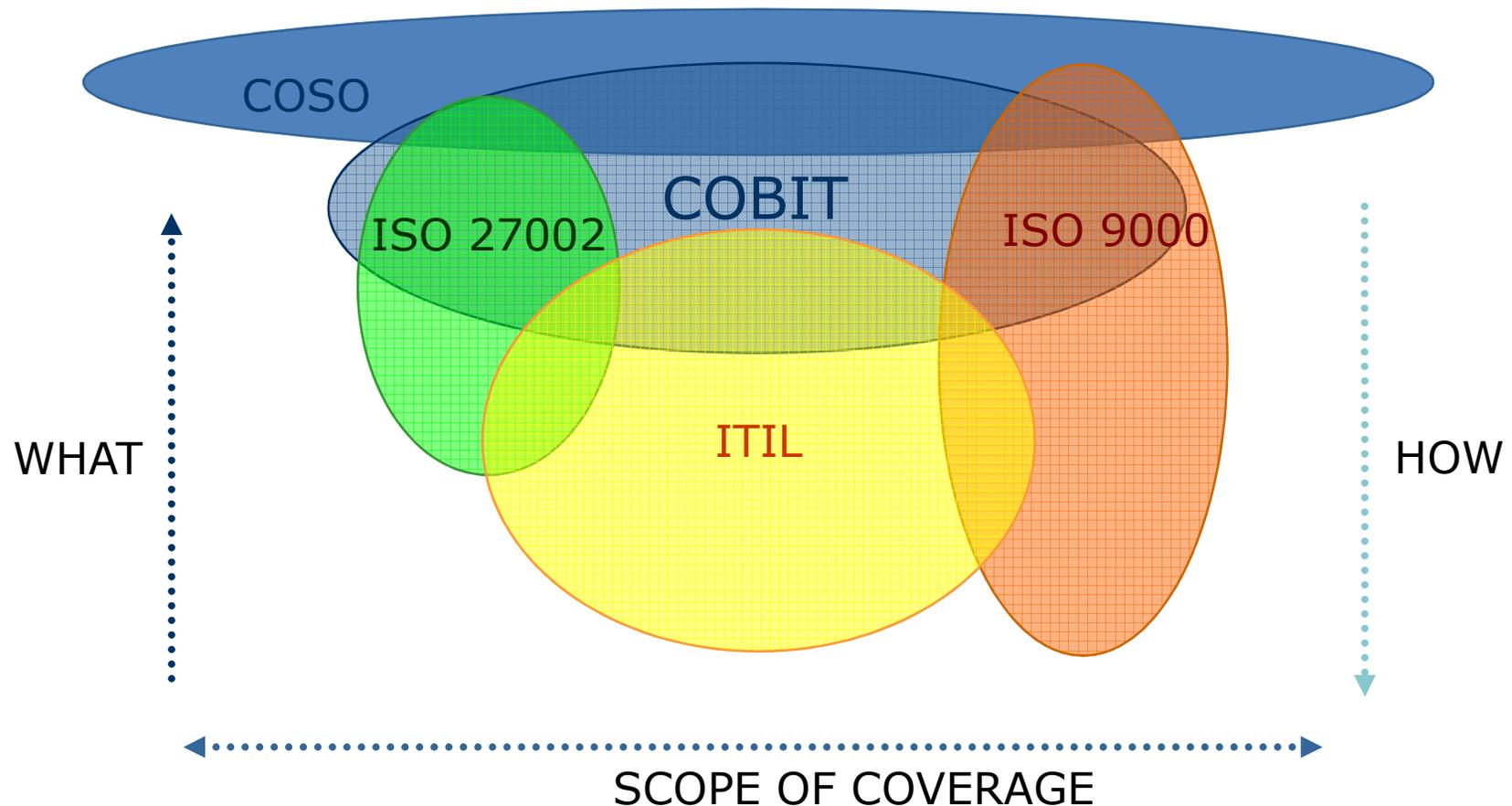


BACKUP SLIDES

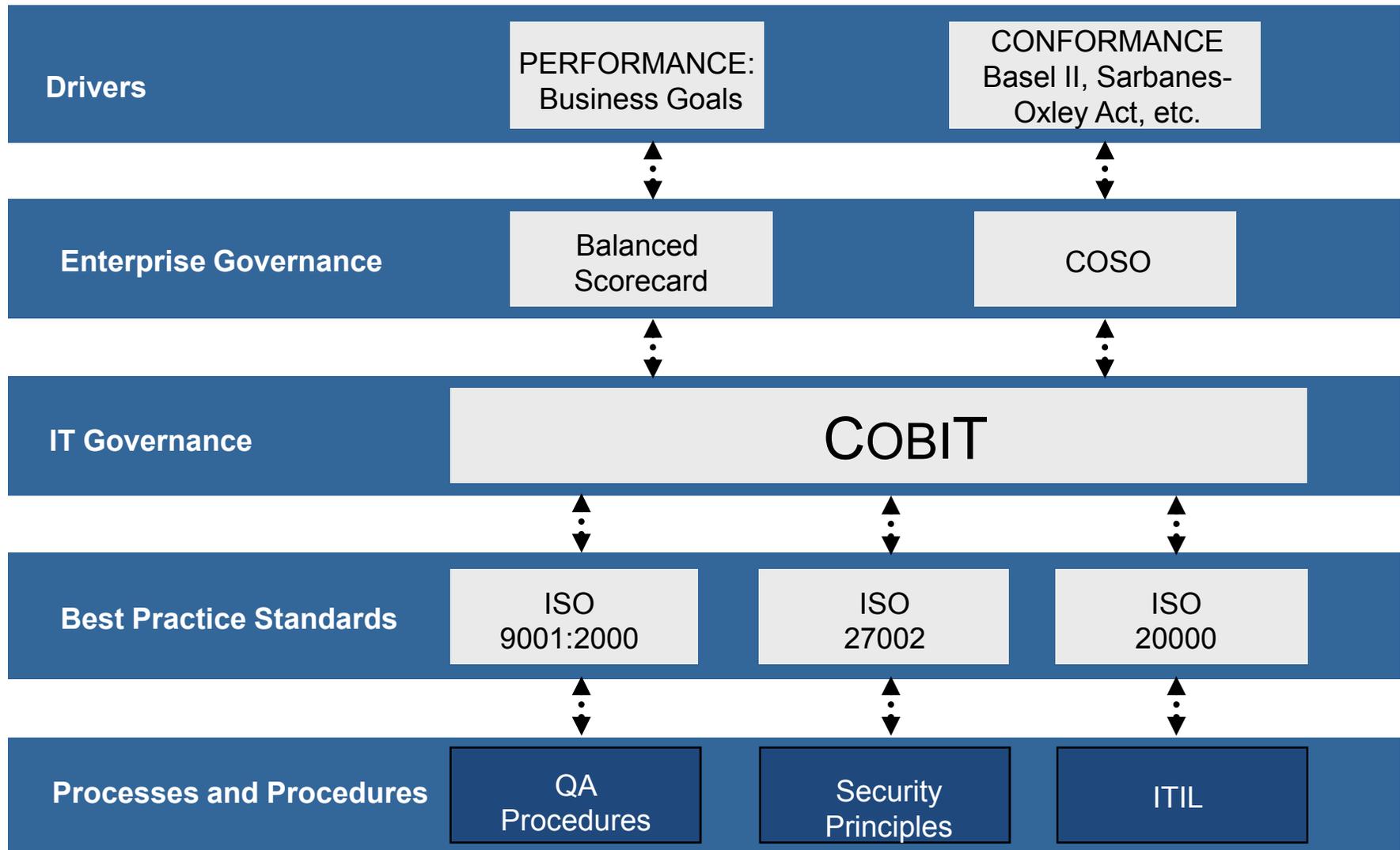


COBIT & Other IT Management Frameworks

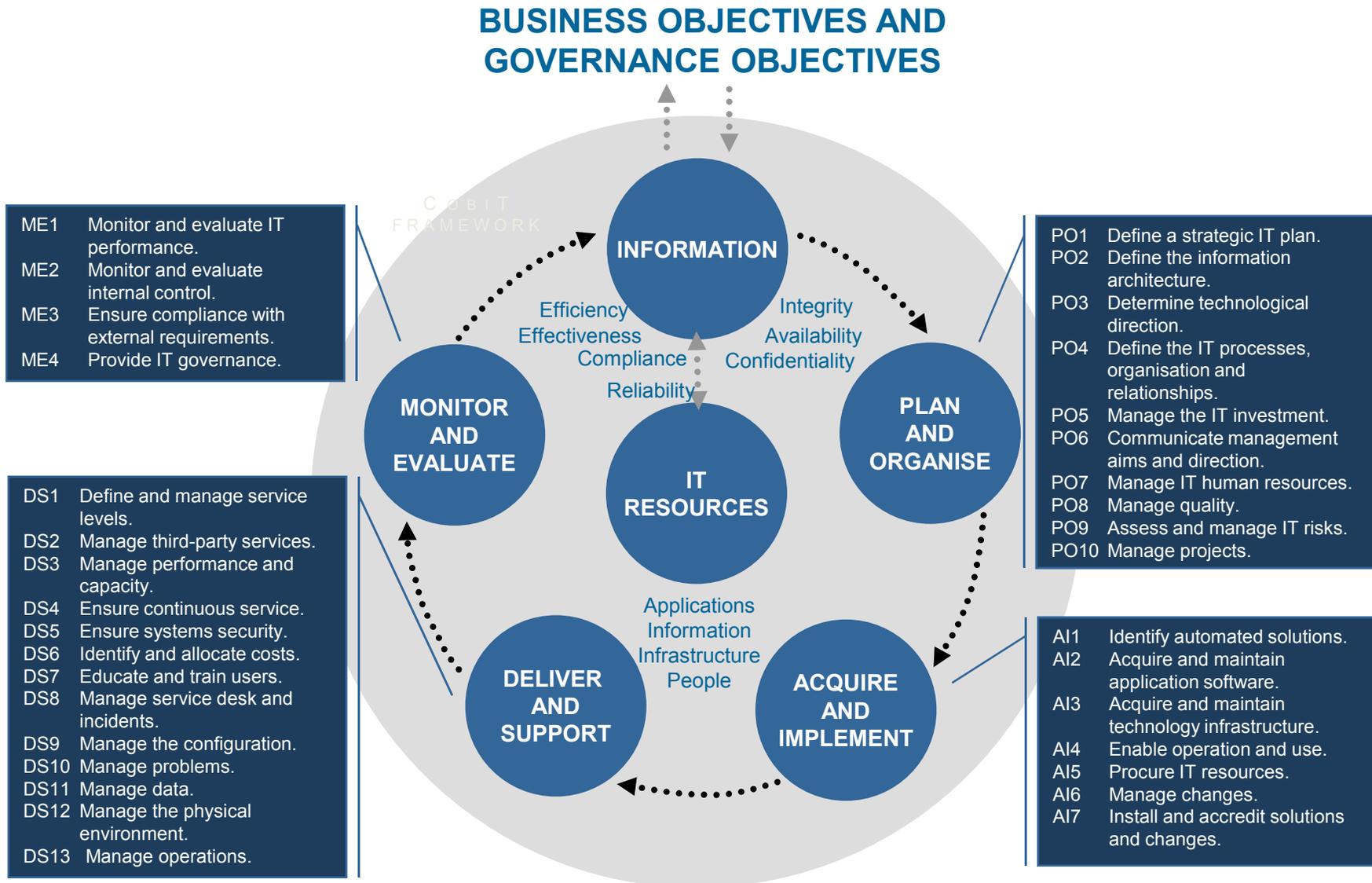
Organisations will consider and use a variety of IT models, standards and best practices. These must be understood in order to consider how they can be used together, with COBIT acting as the consolidator ('umbrella').



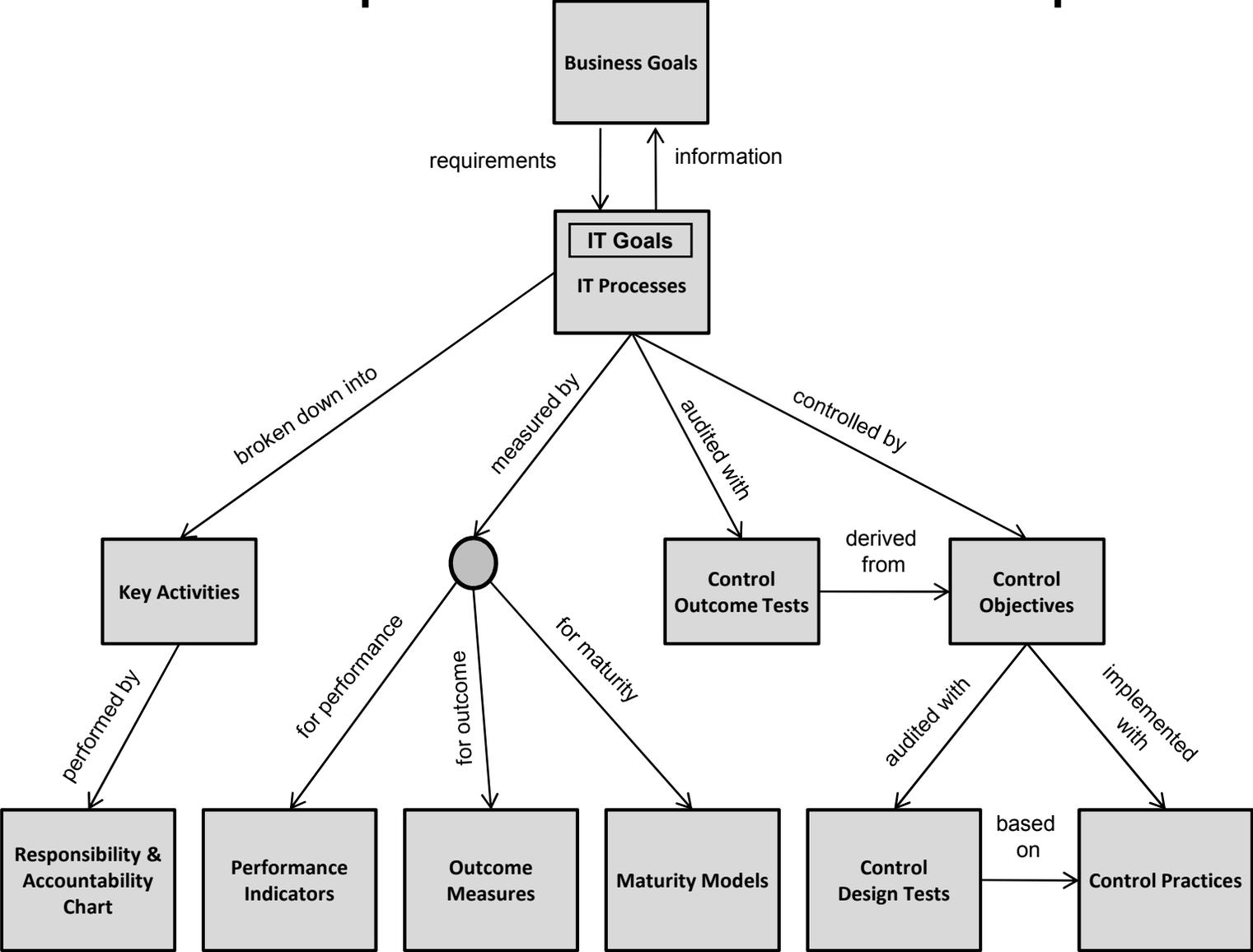
Where Does COBIT Fit?



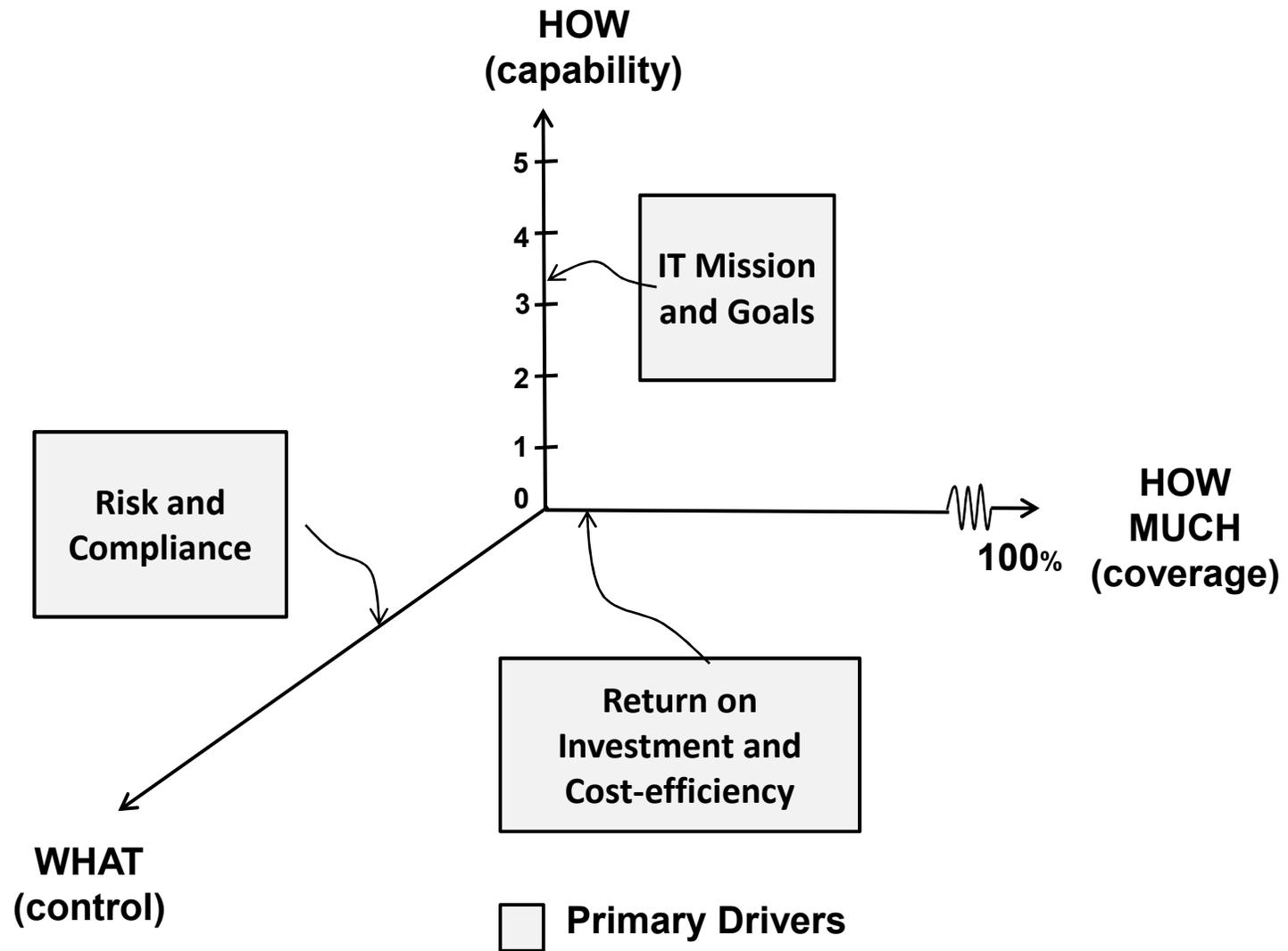
COBIT Framework



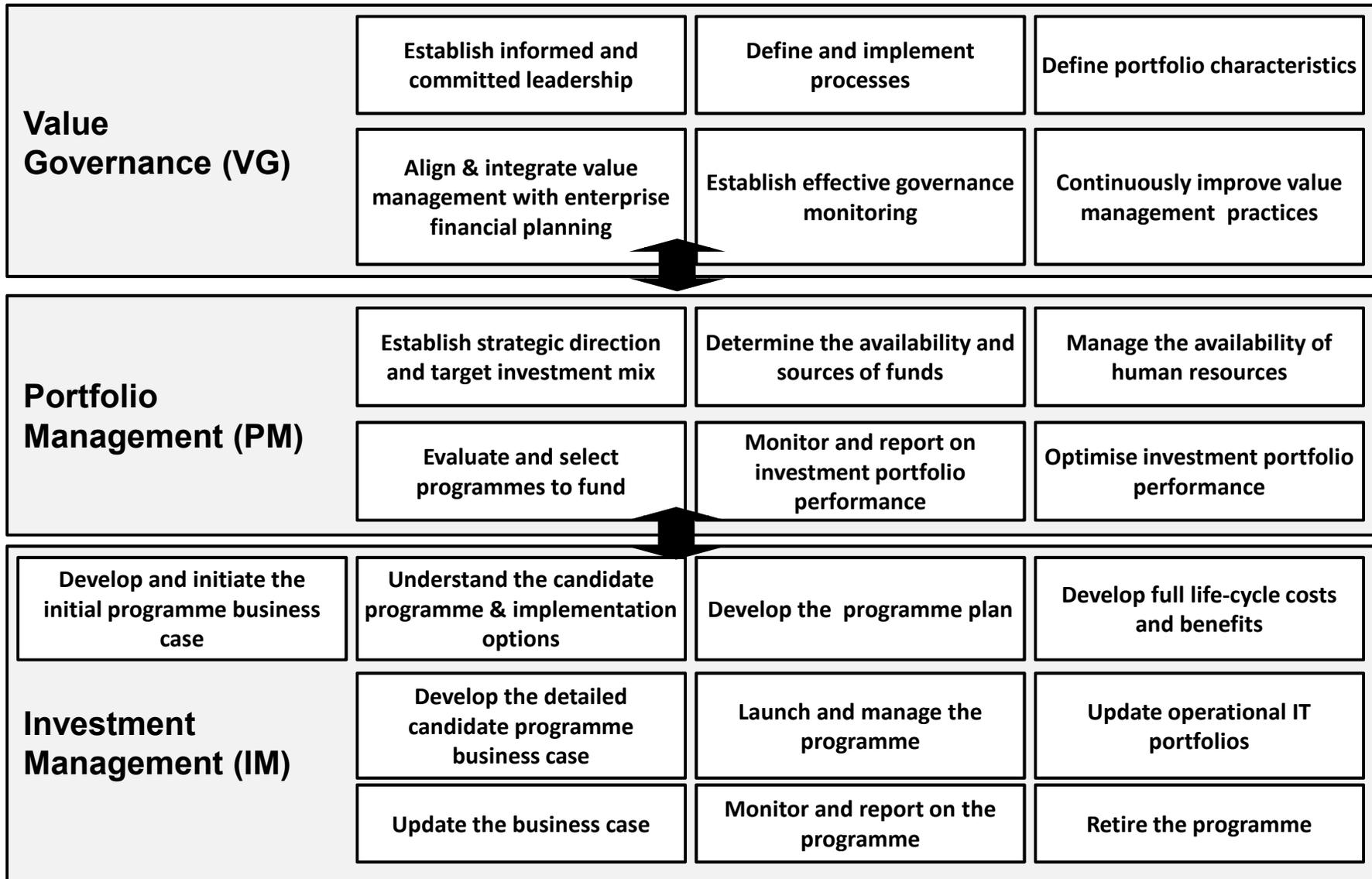
Interrelationship of the COBIT Components



Dimensions of Maturity



VAL IT domains & processes



Road map to IT governance

